

**PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA  
COMMISSION DIRECTIVE**

ADMINISTRATIVE MATTER	<input type="checkbox"/>	DATE	<u>January 29, 2020</u>
MOTOR CARRIER MATTER	<input type="checkbox"/>	DOCKET NO.	<u>2015-163-E</u>
UTILITIES MATTER	<input checked="" type="checkbox"/>	ORDER NO.	<u>2020-91</u>

**THIS DIRECTIVE SHALL SERVE AS THE COMMISSION'S ORDER ON THIS ISSUE.**

**SUBJECT:**

DOCKET NO. 2015-163-E - Application of Duke Energy Progress, LLC to Establish a New Cost Recovery and Incentive Mechanism for Demand-Side Management and Energy Efficiency Programs - Staff Presents for Commission Consideration Duke Energy Progress, LLC's Request for Approval of Proposed Modifications to the Demand Response Automation Rider and Neighborhood Energy Saver Tariff.

**COMMISSION ACTION:**

Duke Energy Progress, LLC seeks to modify its Demand Response Automation Rider and Neighborhood Energy Saver Tariff.

The Demand Response Automation rider currently provides a credit to customers who agree to curtail a minimum of 75 kilowatts of demand during peak summer and winter months. Participating customers receive: (1) a control switch at no charge; (2) an "availability credit" each month at a rate of \$3.25 per curtailable kW; and (3) an "event performance credit" for each curtailment event at a rate of \$6.00 per kW reduced. After the second event, customers receive a \$50.00 per kW credit to support the investments necessary to purchase and install equipment or institute process changes. Customers agree to participate in at least three events each summer but no more than ten annually. The tariff also includes a section describing opt out eligibility. In this request, the Company seeks approval to lower the required number of events from three events per summer to one event per summer, and to reduce the minimum curtailable demand from 75 kW to 50 kW. Additionally, the Company requests permission to raise the monthly credit from \$3.25 per kW to \$4.25 per kW, and to update the section describing opt out eligibility by eliminating references to deadlines that have expired. Duke states that all other credits and guidelines, such as the assurance that customers will not be expected to participate in more than ten events per summer, will remain the same.

The Company maintains that these proposed changes should broaden the market set of medium and large industrial customers interested in participating in the Rider, thereby encouraging greater participation in the program and improving its performance.

The Neighborhood Energy Saver program uses third-party and census data to identify neighborhoods in which 50% or more of the households are equal to or below 200% of federal poverty levels, and all households within an identified neighborhood are eligible to participate. Duke Energy Progress, LLC sends a team into those neighborhoods with a package of energy conservation measures to perform energy audits in the home to directly install the measures while on-site.

The Company seeks approval to provide additional NES measures, such as insulation, duct

sealing, air sealing, and a smart thermostat to households within the eligible neighborhoods that consume more energy per square foot than homes of similar size and construction (i.e., "high consumption households" ), including manufactured and mobile homes. The Company also proposes certain other limited revisions to the tariff, including changing "Low-Flow Faucet Aerators" to "Water-Saving Faucet Aerators," "Low-Flow Showerheads" to "Water-Saving Showerheads," and "HVAC Winterization Kits" to "Window AC Winterization Kits."

Duke Energy Progress, LLC states the proposed tariff changes should improve the performance of the NES program, and that the high consumption household measures could save these customers up to 2,200 kilowatt-hours a year.

The Office of Regulatory Staff has reviewed this matter and does not oppose granting the requests.

I move that we approve the requested changes to the Demand Response Automation Rider and Neighborhood Energy Saver Tariff.

PRESIDING: Randall

SESSION: Regular

TIME: 2:00 p.m.

	MOTION	YES	NO	OTHER
BELSER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
ERVIN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HAMILTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HOWARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
RANDALL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
WHITFIELD	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
WILLIAMS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<u>Absent</u>

Military Leave

(SEAL)

RECORDED BY: J. Schmieding

